

Approved For Release 2005/04/27 : CIA-RDP80R01731R003700010005-0

**TOP SECRET**

COPY NO. 11

# NATIONAL SECURITY COUNCIL

## STATUS OF PROJECTS

as of

January 29, 1951

**TOP SECRET**

**WARNING**

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT, 50 U.S.C., 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW.

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

-----

1. COMPLETED PROJECTS

(January 22, 1951-January 29, 1951)

THE SITUATION IN THE FAR EAST

(NSC Action No. 423. See also related projects in Sections 2A, 3A and 4)

NSC 98/1 THE POSITION OF THE UNITED STATES WITH RESPECT TO SOUTH ASIA  
(NSC Action No. 425)

2. PROJECTS UNDER CONSIDERATION BY THE NSC

A. ITEMS SCHEDULED ON THE AGENDA FOR THE 82nd NSC MEETING, THURSDAY, FEBRUARY 1, 1951:

THE SITUATION IN THE FAR EAST

Discussion of the subject scheduled as item 1 on the agenda for the 82nd NSC meeting, February 1, in the light of an oral briefing by the Chairman, JCS, on the military situation in Korea.

PORT SECURITY

(NSC 78/1; NSC 78 and related papers; NSC Action No. 405)

By the reference action the Council noted that the President requested the Secretary of Defense to have a careful study made of possible port security measures, including an appraisal of their effectiveness in relation to their probable cost, and to make appropriate recommendations thereon for consideration by the Council. Report by the Secretary of Defense (NSC 78/1) submitted for Council consideration, and scheduled as the second item for consideration on the agenda of the 82nd Council meeting, February 1. The Attorney General has been invited to participate with the Council for action on this item.

THE RECENT OUTBREAK OF VIOLENCE BY PUERTO RICAN NATIONALS

(Memo for NSC from Executive Secretary, same subject, dated January 23, 1951)

Joint report by the IIC and the ICIS on the subject, prepared for the NSC at the direction of the President, circulated by the reference memorandum and scheduled as the 3rd item for information on the agenda of the 82nd Council meeting, February 1. The Attorney General has been invited to participate with the Council for action on this item.

UNITED STATES POLICY TOWARD SPAIN

(NSC 72; NSC 72/1; NSC 72/2; NSC 72/3; NSC Action No. 312)

Previous JCS views circulated as NSC 72 on June 8, 1950, for Council information. State views, in response to NSC 72, circulated as NSC 72/1 also for Council information. At its 60th meeting the Council discussed the subject, deferred further action and directed the NSC Consultants to study the reference papers in preparation for further Council consideration. A memo for the President by the Secretary of Defense on "The

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

UNITED STATES POLICY TOWARD SPAIN (Cont'd)

Provision of Military Aid to Spain", referred by the President to the Executive Secretary, was circulated on August 3 for the information and use of the NSC Consultants and Staff in connection with their study of NSC 72 and NSC 72/1. Report by the Secretary of State (NSC 72/2) submitted for Council consideration on January 15, 1951. Memorandum by the Secretary of Defense, attached views of the JCS and recommended amendments in the Conclusions of NSC 72/2, submitted as NSC 72/3. NSC 72/2 and NSC 72/3 scheduled as the 4th item for consideration on the agenda of the 82nd Council meeting, February 1. (See also related project in Section 3A.)

RESULTS OF THE CONVERSATIONS BETWEEN THE PRESIDENT AND THE BRITISH PRIME MINISTER

(NSC Action No. 391; NSC 93; NSC 93/1; Memo for NSC from Executive Secretary, same subject, dated January 25, 1951)

Pursuant to NSC Action No. 391-b the Senior NSC Staff undertook a review of the agreements reached in the talks with Prime Minister Attlee, on the basis of NSC 93, a report by the Secretary of State recording the results of the conversations.

NSC 93/1, a report by the Department of State with respect to conversations engaged in by working parties on raw materials, was circulated for Council information.

The Senior NSC Staff report in response to NSC Action No. 391-b was transmitted as the reference memorandum of January 25, and is scheduled, together with NSC 93/1, as the 5th item for information on the agenda of the 82nd Council meeting, February 1.

SECURITY OF STRATEGICALLY IMPORTANT INDUSTRIAL OPERATIONS IN FOREIGN COUNTRIES

(Progress Report, dated January 19, 1951, by the Under Secretary of State on NSC 29)

The reference Progress Report on the subject was circulated for Council information and is scheduled as the 6th item for information on the agenda of the 82nd Council meeting, February 1.

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

UNITED STATES POLICY TOWARD ARMS SHIPMENTS TO THE NEAR EAST  
(Progress Report dated January 24, 1951, by the Department of State on NSC 65/3)

The reference Progress Report by the Department of State on the subject has been circulated for the information of the Council and is scheduled as the 7th item for information on the agenda of the 82nd Council meeting, February 1. (See related projects in Sections 2C and 3A and B.)

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

B. ITEMS UNDER CONSIDERATION BY MEMORANDUM ACTION

COORDINATION OF U. S. AID PROGRAMS FOR FAR EASTERN AREAS  
(NSC 61/1; NSC 61; Memos for NSC from Executive Secretary, same subject, dated May 16 and August 14, 1950)

Pursuant to NSC 61, a report by the Under Secretaries of State and the Army, and with the concurrence of the President, representatives for a Working Group were designated by the Secretaries of State, Defense, the Treasury, and Commerce, and the Economic Cooperation Administrator, to prepare a report looking to closer coordination of economic and military aid programs generally for Far Eastern areas. The report, prepared by the Working Group with the assistance of a representative of the Bureau of the Budget, was submitted for consideration by the reference memo of May 16 as NSC 61/1. Approved by the Secretaries of the Treasury and Commerce; disapproved by the Economic Cooperation Administrator, with comment. Reply of the Secretary of Defense with the views of the JCS was circulated by the reference memo of August 14, which summarizes the above replies and suggests an appropriate Council action in the light thereof. Approved by Defense and Treasury, August 17; by NSRB and ECA, August 18; by Commerce, with comments, August 19. Awaiting action by other Council members with respect to the suggestion in the reference memo of August 14, 1950.

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

C. ITEMS AWAITING SUBSEQUENT NSC CONSIDERATION

EXPORT CONTROL POLICY TOWARD THE SOVIET BLOC  
(NSC 102)

The reference report by the Secretary of Commerce has been submitted for Council consideration; and the Secretary of Agriculture and the Economic Cooperation Administrator have been invited to participate in this project. To be scheduled for consideration at a later Council meeting. (See also related projects in this section and in section 3C.)

SUPPORT FOR THE VOICE OF AMERICA IN THE FIELDS OF INTELLIGENCE AND OF RESEARCH AND DEVELOPMENT

(NSC 66; NSC 66/1; Memos for NSC from Executive Secretary, same subject, dated April 4, May 11, September 11, 1950, and January 25, 1951)

In accordance with NSC 66 the Secretaries of State and Defense, the Chairman, FCC, and the Director of Central Intelligence, were requested to designate representatives to prepare a report for consideration by the Council, the Secretary of the Treasury, and the Chairman, FCC, in the event that the recommendations in NSC 66 were approved. Comments by Defense, FCC and CIA were transmitted by the reference memo of May 11 and, in the light of the Defense comment that further Council action should be deferred until an ad hoc committee of the IAC completed its investigation of the problem, the departments and agencies concerned agreed informally that this item should not be scheduled for Council consideration until the Director of Central Intelligence and the IAC had submitted a report.

An interim report by the Director of Central Intelligence (reference memo of September 11) indicated that the views of USCIB were being sought.

Final report by the Acting Director of Central Intelligence enclosing a report by USCIB submitted for Council consideration as NSC 66/1. Request for memorandum action transmitted by the reference memo of January 25. Awaiting action by all concerned.



PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

EAST-WEST TRADE

(Memo for NSC from Acting Executive Secretary, same subject, dated January 29, 1951; NSC 91/1)

A report of progress in export control negotiations with reference to paragraph 2 (f) of NSC 91/1 was circulated for Council information by the reference memo at the request of the Secretary of State. To be scheduled on the agenda of an early Council meeting. (See related projects in this Section and in Section 3C.)

RECOMMENDATIONS WITH RESPECT TO U. S. POLICY TOWARD JAPAN

(Progress Report dated January 26, 1951, by the Under Secretary of State on NSC 13/3)

The reference Progress Report by the Under Secretary of State on the subject was circulated for Council information. To be scheduled on the agenda of an early Council meeting. (See related projects in Section 3A and 4.)

UNITED STATES POLICY TOWARD ISRAEL AND THE ARAB STATES

(Progress Report dated January 26, 1951, by the Under Secretary of State on NSC 47/2)

The reference Progress Report by the Under Secretary of State on the subject was circulated for Council information. To be scheduled on the agenda of an early Council meeting. (See related projects in Sections 2A and 3A and B.)

### 3. CURRENT NSC STAFF PROJECTS

#### A. SENIOR NSC STAFF

##### UNITED STATES POLICY TOWARD SPAIN (NSC 72/2; NSC 72/3)

The reference reports by the Secretaries of State and Defense, respectively, on the subject are scheduled for discussion by the Senior Staff on January 31, in anticipation of Council consideration of these reports on February 1. (See same project in Section 2A.)

##### THE POSITION OF THE UNITED STATES WITH RESPECT TO GREECE (NSC Action No. 366; Memos for Senior NSC Staff from Executive Secretary, same subject, dated January 15 and 29; memo for Senior Staff from Acting Executive Secretary, subject, "US and UK Commitments to Greece", dated January 29)

Various Staff drafts, dating from August 8 to October 26 considered by the Staff Assistants. Revised report by State in collaboration with JCS and CIA circulated January 3, revised further by the Staff Assistants and forwarded to the Senior Staff by the reference memo. Considered by the Senior Staff on January 25, when it was agreed to reconsider the subject again at an early meeting in the light of a statement of commitments of the United States to Greece, to be prepared by the Department of State.

Scheduled for further consideration by the Senior Staff on January 31 in the light of the statement referred to above, circulated by the reference memo of January 29, subject, "US and UK Commitments to Greece"; and together with proposed State amendments to the draft report, circulated by the reference memo of January 29, same subject.

##### U. S. ACTION TO COUNTER CHINESE COMMUNIST AGGRESSION (NSC 101; NSC 101/1; NSC Action No. 420; Memo for Senior NSC Staff from Executive Secretary, subject, "The Position of the United States with Respect to Communist China", dated November 22, 1950; Memo for Senior NSC Staff from Executive Secretary, subject: "United States Policy Toward Asia in General and Toward China in Particular", dated December 14, 1950; checklist of possible U. S. action, dated January 11; NIE-10; Memo for Senior NSC Staff from Executive Secretary, same subject, dated January 22, 1951)

CURRENT NSC STAFF PROJECTS (Cont'd)

U. S. ACTION TO COUNTER CHINESE COMMUNIST AGGRESSION (Cont'd)

Recommendations by Senior State Member on the subject, circulated by the reference memo dated November 22 and discussed at Senior Staff meeting on December 12. Memo by Senior State Member transmitting correspondence exchanged between the Departments of State and Defense on the question of Formosa circulated by the reference memo dated December 14, for Senior Staff use in connection with its discussion of the subject. CIA report on the five points listed in Part II of the reference memo dated November 22, circulated as NIE-10, January 17.

A checklist of possible U. S. action to counter Chinese Communist aggression for the use of the respective departments and agencies prepared by the Senior Staff was considered on January 15 in the light of a memorandum by the JCS (NSC 101), and a report prepared for Council consideration (NSC 101/1).

At its 80th meeting, the NSC discussed NSC 101/1 in the light of NSC 101, and referred NSC 101/1 to the NSC Staff for revision in the light of the discussion, and agreed that the revised study should concern itself with U. S. objectives as well as U. S. courses of action on the reference problem. (NSC Action No. 420b.)

The Council also requested the JCS to prepare a detailed study of the military effectiveness of the possible use of Chinese forces on Formosa against the mainland of China, including consideration of the effect of such use upon the defense of Formosa. (NSC Action No. 420c.)

The Department of State was also requested by the Council to prepare a study on the effect upon China and other Eastern countries of continued U. S. support of Chiang Kai-shek. (NSC Action No. 420d.)

Awaiting above studies from State and JCS.

State draft report on the subject, circulated January 18. On January 22, the Senior Staff amended the "Objectives" section of the State draft and agreed to consider the subject further at an early meeting. Revised objectives circulated by the reference memo dated January 22. (See also related projects below and in Sections 2C, 3B and 4.)

CURRENT NSC STAFF PROJECTS (Cont'd)

THE POSITION OF THE UNITED STATES WITH RESPECT TO INDOCHINA  
(NSC 64/1; Memo to Senior NSC Staff from Executive Secretary, same subject, dated January 4, 1951)

On October 19, the Senior NSC Staff agreed to consider this subject further upon receipt of a draft paper on the subject prepared by the Southeast Asia Aid Committee, together with the comments of the State Department, the Joint Secretaries, and the Joint Chiefs of Staff thereon.

At the request of the Secretary of Defense the views of the JCS (NSC 64/1) were circulated for Council information and referred to the NSC Staff for use in the preparation of a report for Council consideration. On December 27, the Senior Staff directed the Staff Assistants to prepare, as a matter of urgency, a draft report on the immediate steps the United States should take to meet the critical situation in Indochina. Draft report by Staff Assistants submitted to Senior Staff by the reference memo. On January 8, the Senior Staff discussed the subject in the light of the importance of Indochina to the security of Southeast Asia and the security of the United States. To be considered further at a later Senior Staff meeting. (See also related projects in this Section and in Sections 2A-C and 4.)

THE EASTERN MEDITERRANEAN AND MIDDLE EAST  
(Memo for Senior NSC Staff from Executive Secretary, same subject, dated December 12, 1950)

Memo by the Senior State Member on the subject transmitted by the reference memo and considered by the Senior Staff on December 29.

Initial draft report to be prepared by State. CIA to furnish intelligence estimate on local attitudes and conditions which affect protection of our interests and realization of our objectives. Awaiting intelligence estimate from CIA and initial draft report from State. (See also related projects in Sections 2A and C and below.)

UNITED STATES POLICY WITH RESPECT TO BERLIN AND EASTERN GERMANY  
(NSC 89; NSC 73/4, par. 42; Memos for NSC from Executive Secretary, subject: "Additional Airlift to Support the Far East", dated September 27 and November 20, 1950; NSC Action No. 368; Memo for Senior NSC Staff from Executive Secretary, subject: "United States Policy with Respect to Berlin and Eastern Germany", dated October 31, 1950)

CURRENT NSC STAFF PROJECTS (Cont'd)

UNITED STATES POLICY WITH RESPECT TO BERLIN AND EASTERN GERMANY  
(Cont'd)

At its 69th Meeting, the Council noted the reference memo of September 27, and the fact that the situation presented therein would be taken into consideration in the studies on the Berlin blockade referred to in par. 42 of NSC 73/4. Memoranda on the subject by the Deputy Under Secretary of State and the Secretary of Defense were circulated for Council information as NSC 89, and referred to the NSC Staff for use in connection with this staff project. JCS study on airlift capabilities circulated to Senior Staff by the reference memo of October 31. Subsequent memo by the Deputy Secretary of Defense (reference memo of November 20) circulated for Council information and referred to the Staff for consideration in connection with this project. Awaiting study on the subject from State now in preparation in collaboration with Defense.

UNITED STATES POLICY WITH RESPECT TO TURKEY  
(NSC Action No. 366c)

In accordance with the reference Council action, the Senior NSC Staff discussed the subject on November 8 and agreed that State, in consultation with Defense, would prepare a draft report. Awaiting State report.

COLLABORATION WITH FRIENDLY GOVERNMENTS ON OPERATIONS AGAINST GUERRILLAS  
(NSC 90)

NSC 90 circulated for Council information and referred to the Senior NSC Staff for use in the preparation of a report. On October 30 the Senior State and JCS Members undertook to collaborate in the preparation of a draft paper covering both the political and military aspects of the problem; and the Senior CIA Member agreed to prepare an intelligence estimate on current and probable areas and characteristics of guerrilla warfare. Awaiting joint report by State, JCS, and CIA Members.

CURRENT NSC STAFF PROJECTS (Cont'd)

JAPANESE PEACE TREATY  
(NSC 60/1)

On September 15 the Senior Staff agreed that this subject should be a continuing project and that accordingly the Senior State Member should keep the Senior Staff informed of any security policy issues which may arise, with a view to further consideration of the subject. (See also related projects in Sections 2C and 4.)

UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY  
(NSC 68 series; Annex No. 8, Long-term Political and Economic Framework)

Awaiting revision of Annex No. 8 by State. (See also related projects in Section 4.)

GENERAL STATEMENTS OF PRINCIPLE DERIVED FROM NSC POLICY REPORTS  
(Records of Senior NSC Staff Meetings, September 6, 1950, and January 25, 1951; memo for Senior NSC Staff from Executive Secretary, same subject, dated January 15)

On September 6 the Senior Staff agreed that the Staff Assistants should examine existing NSC policy reports with a view to deriving therefrom any general statements of principle. General statements of principle derived from NSC policies circulated January 3 to the Senior Staff by the reference memo. Considered by the Senior Staff on January 25 and referred to the Executive Secretary for revision in the light of the discussion. Awaiting revision by the Executive Secretary.

CURRENT NSC STAFF PROJECTS (Cont'd)

B. NSC STAFF ASSISTANTS

THE POSITION OF THE UNITED STATES WITH RESPECT TO IRAN

(Memos for Senior NSC Staff from Executive Secretary, same subject, dated October 24 and 26, 1950; NIE-14; Memo for Senior NSC Staff from Executive Secretary, subject: "Worldwide Appraisal of Petroleum Supply vs. Requirements for a Major War", dated January 24, 1951)

On October 25 the Senior Staff considered a draft report by the Staff Assistants on the subject (reference memo of October 24), and agreed that a draft report on the subject should be based upon a complete reassessment of the U. S. position toward Iran, including a review of the applicability to Iran of the basic U. S. position relating to the Eastern Mediterranean and the Middle East, approved in 1947, and of current British thinking regarding this area.

On October 30 the CIA Member was requested, with assistance from appropriate departments and agencies, to prepare an intelligence estimate of the extent to which the Western European economy is dependent upon Middle Eastern oil, and of the related problems involved in alternate sources of supply. CIA estimate (NIE-14) circulated January 8, 1951.

On January 18 the Senior Staff discussed the subject in the light of NIE-14 and referred the draft Statement of Policy and Staff Study, circulated by the reference memos, to the Staff Assistants for revision in the light of the discussion. A study, prepared in the NSRB, on world petroleum supply and requirements for a major war, was circulated by the reference memo of January 24 for the information of the NSC Staff in connection with this project. Awaiting initial draft report by State.

U. S. COURSES OF ACTION IN THE EVENT THE SOVIETS ATTEMPT TO CLOSE THE BALTIC

(NSC 88; Memo for Senior NSC Staff from Executive Secretary, same subject, dated January 2, 1951)

NSC 88 circulated for information and referred to the NSC Staff for use in the preparation of a report for Council consideration. At its meeting on October 19 the Senior NSC Staff agreed that State should prepare for Staff consideration a draft report on the subject, taking into account the views of the JCS in NSC 88. Draft report from State circulated by the reference memo.

CURRENT NSC STAFF PROJECTS (Cont'd)

U. S. COURSES OF ACTION IN THE EVENT THE SOVIETS  
ATTEMPT TO CLOSE THE BALTIC (Cont'd)

On January 18 the Senior NSC Staff referred the State draft report to the Staff Assistants for revision in the light of the discussion, with particular reference to taking paragraph 5 of NSC 88 into account. Awaiting initial draft report by State.

THE POSITION OF THE UNITED STATES TOWARD YUGOSLAVIA  
(NSC 73/4, par. 37-a-(2); Memo for NSC from Executive Secretary, subject: "United States Policy Toward Yugoslavia and the Furnishing of Military Assistance to Yugoslavia in Case of Aggression", dated September 5, 1950)

JCS memo circulated by the reference memo for Council information and referred to the Staff for use in connection with studies being prepared pursuant to NSC Action No. 348-b, with particular reference to the review of NSC 18/4. Awaiting initial draft report by State.

POSITION OF THE UNITED STATES WITH RESPECT TO SCANDINAVIA  
(Ref. NSC 28/1; Progress Report, dated November 14, 1950, on NSC 28/1 and NSC 32/1)

On December 13 the Senior NSC Staff directed the Staff Assistants to prepare a draft revision of NSC 28/1 for consideration by the Senior Staff. Awaiting initial draft report by State.

ISSUES RELATING TO THE COMMITMENT OF U. S. ARMED FORCES TO COUNTER  
COMMUNIST SUBVERSION  
(Record of Senior Staff Meeting January 18, par. 5)

On January 18 the Senior Staff agreed that the Staff Assistants should prepare for the information of the Senior Staff a draft report stating: (1) the issues which have arisen in a number of NSC projects relating to the commitment of U. S. forces in various areas to counter Communist subversion short of the overt use of Soviet forces; and (2) the divergent points of view and supporting arguments relating to such issues. Awaiting draft by Staff Assistants.



CURRENT NSC STAFF PROJECTS (Cont'd)

U. S. ACTION TO COUNTER CHINESE COMMUNIST AGGRESSION

(Memo for Senior NSC Staff from Executive Secretary, same subject, dated January 22, 1951; and related papers under Senior Staff project on this subject in Section 3-A)

Preliminary drafting of an analysis in support of the objectives attached to the reference memo has been undertaken by the NSC Staff Assistants on an urgent basis for consideration by the Senior NSC Staff at an early meeting. Awaiting initial draft from Staff Assistants. (See also Senior Staff project on this subject in Section 3-A.)

Approved For Release 2005/04/27 : CIA-RDP80R01731R003700010005-0

CURRENT NSC STAFF PROJECTS (Cont'd)C. OTHER CURRENT NSC STAFF PROJECTSRELEASE OF INFORMATION REGARDING NEW WEAPONS

(Memo for NSC Consultants and AEC Representative, from Executive Secretary, same subject, dated July 5, 1950)

At the direction of the President, the Council and the Chairman, Atomic Energy Commission, undertook a consideration of the general problem of weapons information, including atomic weapons, in order to make appropriate recommendations to the President on the subject. A draft report, prepared by the Executive Secretary in accordance with the discussion at a meeting on June 22, has been circulated to the NSC Staff and a representative of the AEC by the reference memo. Awaiting redraft of this report by Defense.

UNITED STATES AND ALLIED WAR OBJECTIVES IN THE EVENT OF GLOBAL WAR

(NSC 79; Memo for NSC from Executive Secretary, same subject, dated September 6, 1950)

JCS memo (NSC 79) circulated for Council information and referred to the Staff for use in the preparation of a report.

The Senior Staff designated an ad hoc group to draft a report to include both a statement of war objectives in the event of global war, and such related questions as a statement of the conditions that the U. S. would be willing to accept for a peaceful settlement with the USSR and its satellites. At the initial meeting of the ad hoc group under the chairmanship of the State member on October 6, the form and content of a response to the problems posed by NSC 79 were discussed and agreed upon. Awaiting draft by the State Policy Planning Staff.

UNITED STATES POLICY ON DEFECTIONERS

(NSC 86; NSC Action No. 364; Memo for Ad Hoc Committee on NSC 86, from Executive Secretary, same subject, dated December 5, 1950)

At its 69th Meeting the Council referred NSC 86, without endorsement of the proposals contained therein, to the Staff for the preparation of a report. The Senior Staff subsequently designated an ad hoc committee, including a representative from the Department of Justice, to prepare a draft report.

On October 26 the ad hoc committee agreed that initial studies would be prepared by State and CIA, with appropriate advice and assistance from the other departments and agencies represented on the committee. CIA report circulated by the reference memo. Awaiting report from State.

CURRENT NSC STAFF PROJECTS (Cont'd)

UTILIZATION OF FOREIGN MILITARY MANPOWER

(Memo for Senior NSC Staff from Executive Secretary, subject: "Proposed NSC Study of Manpower", dated December 4, 1950)

Memorandum by the Senior State Member on the subject circulated by the reference memo. On December 12 the Senior Staff agreed to designate an ad hoc group under the chairmanship of a JCS official and with officials from State, NSRB, Mr. Harriman's office, and CIA, to prepare a draft report. At the initial meeting of the ad hoc group on January 22 a draft report was distributed by the chairman, and was discussed at another meeting on January 25. Scheduled for further discussion at a meeting on January 30.

NSC DETERMINATIONS ON EAST-WEST TRADE

(Memos for Special Committee on East-West Trade from Assistant Executive Secretary, same subject, dated January 15, 25 and 26, 1951; Memo for Special Committee from Assistant Executive Secretary, subject: "Agenda for Next Special Committee Meeting", dated January 22, 1951)

On December 6 the Special Committee on East-West Trade agreed that the Department of Commerce, with the assistance of representatives from State, Defense, NSRB, Treasury, ECA and CIA, would coordinate the preparation of statistical studies on the subject and submit those studies to the Special Committee for evaluation. Initial report from Commerce, including country studies on Latin America, the Near East and Africa, circulated by the reference memo of January 15. List of countries receiving U. S. aid, prepared by the Department of State, circulated for information by the reference memo of January 22. Initial country studies discussed at a meeting on January 24, at which it was agreed that the State and Commerce representatives should draft a report to the Council. Draft report transmitted to Special Committee by the reference memo of January 26, and is awaiting clearance by all members.

Preliminary studies of trade between the Soviet bloc and Formosa, the Philippines, Burma and Thailand, circulated by the reference memo of January 25, and are awaiting Committee consideration.

CURRENT NSC STAFF PROJECTS (Cont'd)

OPERATION OF ISBRANDTSEN COMPANY, INC. SHIPS TO COMMUNIST COUNTRIES  
(NSC 87; Memos for Senior NSC Staff from Executive Secretary, subject: "Strengthening of Export Control Laws", dated October 16 and 25, 1950; Memo for NSC from Executive Secretary, same subject, dated November 1, 1950; Memo for Special Committee on East-West Trade from Executive Secretary, subject: "East-West Trade", dated November 18, 1950; Memo for Special Committee on East-West Trade from Executive Secretary, subject: "Strengthening of Export Control Laws", dated December 19, 1950; Memo for Special Committee from Assistant Executive Secretary, same subject, dated January 12, 1951; Memo for Mr. Seybold (Chairman), Mr. Thorp, Mr. Miller, from Executive Secretary, same subject, dated January 18, 1951)

Referred to the Special Committee on East-West Trade by the Senior Staff on November 8. In view of recent actions on the subject reported by the Department of Commerce member transmitted by the reference memo dated December 19, and in light of current government policy with respect to export controls, it was suggested that the NSC 87 project be cancelled. Replies to this suggestion, including memorandum by the Defense member, circulated by the reference memo of January 12 and considered at a Special Committee meeting on January 17, when it was agreed that Mr. Seybold (Chairman), Mr. Thorp and Mr. Miller should constitute a subcommittee to prepare a brief report including an evaluation as to whether there are any significant deficiencies in our present shipping controls that would permit shipment of strategic materials to the Soviet bloc; and proposals for appropriate measures, either legislative or administrative, if such are required, designed to strengthen these controls. Awaiting subcommittee report.

#### 4. OTHER CURRENT COUNCIL PROJECTS

##### APPRAISAL OF FOREIGN ECONOMIC INTELLIGENCE REQUIREMENTS, FACILITIES AND ARRANGEMENTS RELATED TO THE NATIONAL SECURITY

(Memo for NSC from Executive Secretary, same subject, dated February 7, 1950; NSC Action No. 282)

In approving the proposal by the Acting Chairman, NSRB, in the reference memo, the NSC directed (NSC Action No. 282) the CIA, in collaboration with the Government agencies concerned, to organize and conduct a study of foreign economic intelligence requirements, facilities and arrangements related to the national security, and, based on the findings of this study, to prepare for Council consideration and action a comprehensive plan for satisfying the foreign economic intelligence requirements of the national security and for a coordinated interagency effort to this end based on a definite allocation of responsibilities among the agencies concerned.

Interim reports by the CIA on September 8, October 4, and November 7, and January 9, concerning the status of this project, indicate that the surveys of governmental facilities for the production of economic intelligence are scheduled for completion by January 15, and that a coordinated draft statement of requirements for foreign economic intelligence is scheduled for completion by CIA by March 31. Awaiting report by CIA.

##### THE POSITION OF THE UNITED STATES WITH RESPECT TO ASIA

(NSC 48/2; Memo for NSC from Executive Secretary, same subject, dated November 20, 1950)

Memo by the Deputy Secretary of Defense on the subject, circulated for Council information by the reference memo and referred to the Secretary of State for consideration of the action proposed in the second paragraph thereof. Awaiting response by the Secretary of State. (See related projects in Sections 2-C and 3-A.)

##### JOINT REVIEW OF POLITICO-MILITARY STRATEGY

(NSC Actions Nos. 393-b and 424; NSC 68/4; NSC 100; Memo for NSC from Executive Secretary, subject: "Recommended Policies and Actions in Light of the Grave World Situation", dated January 16, 1951)

The President directed (NSC Action No. 393-b) the Secretaries of State and Defense to undertake immediately a joint review of the politico-military strategy of this Government with a view to increasing and speeding up the programs outlined in NSC 68/4 in the light of the present critical situation, and to submit to the

OTHER CURRENT COUNCIL PROJECTS (Cont'd)

JOINT REVIEW OF POLITICO-MILITARY STRATEGY (Cont'd)

President as soon as possible appropriate recommendations through the NSC.

At its 81st Meeting the Council discussed a report by the Chairman, NSRB, on "Recommended Policies and Actions in Light of the Grave World Situation" (NSC 100) and noted the reference by the President of NSC 100 to the Secretaries of State and Defense for consideration in connection with the joint review of the politico-military strategy of this Government.

Awaiting joint report by the Secretaries of State and Defense. (See also related NSC 79 project in Section 3-C.)

PROVISION FOR STATE INTERNAL SECURITY FORCES  
(NSC 96; NSC Action No. 409)

At the request of the Secretary of Defense the reference report was submitted for Council consideration. At its 77th Meeting, by the reference action, the Council agreed to request the Chairman, NSRB, to develop, in consultation with other interested agencies, a plan for the provision of essential Federal guidance and assistance to the States in organizing reserves to perform State and local security functions when the National Guard is ordered into active military service, this plan to include any necessary Federal legislation. A preliminary meeting of representatives of the interested Federal agencies has been held and observers attended a discussion of the general question by the Executive Committee of the Council of State Governors at Chicago on January 26. Awaiting report by the Chairman, NSRB.

A NATIONAL PETROLEUM PROGRAM  
(NSC 97)

At the direction of the President, a letter from the Acting Secretary of Defense on the subject (NSC 97) was referred to the Director of Defense Mobilization to develop a national petroleum program leading to the complete supply of allied requirements, for consideration by the NSC. Awaiting report by Director of Defense Mobilization.

**TOP SECRET**

Approved For Release 2005/04/27 : CIA-RDP80R01731R003700010005-0  
SIGNATURE RECORD AND COVER SHEET

25X1

25X1

E.R

FORM NO. 38.13 PREVIOUS EDITIONS NOT TO BE USED  
APR 1948